



NEWS RELEASE

US DEPARTMENT OF THE INTERIOR ■ BUREAU OF LAND MANAGEMENT
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BLM to Hold Federal Oil and Gas Lease Sale on January 17, 2007

Santa Fe-The Bureau of Land Management (BLM) is offering oil and gas leasing rights on 110 parcels totaling 85,445 acres on federal lands in New Mexico, Oklahoma, Kansas and Texas. An oral auction will take place on Wednesday, January 17, 2007, at the BLM's New Mexico State Office, 1474 Rodeo Road, Second Floor Conference Room, Santa Fe, New Mexico 87505.

The building will open to the public at 8 a.m. to allow each interested party time to obtain a bidding number. ***The sale will commence promptly at 9 a.m.*** Only oral bids offered at the sale will be accepted. Leases will be awarded to qualified bidders offering the highest acceptable bid. The minimum acceptable bid is \$2 per acre.

The breakdown by state is as follows:

60 parcels totaling 47,193 acres in New Mexico
21 parcels totaling 25,952 acres in Oklahoma
24 parcels totaling 11,940 acres in Texas
5 parcels totaling 360 acres in Kansas

Leases will be awarded for a period of 10 years, and as long thereafter as there is production in paying quantities. The government receives 12½ percent royalties on production on those leases. The state of New Mexico receives half of this amount for production from federal lands and subsurface minerals in New Mexico. In Fiscal Year 2006, the state received over \$550 million from federal oil and gas leasing, rents and royalties.

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